



FEDERAL RESERVE BANK
OF CHICAGO



DEPARTMENT OF FINANCIAL INSTITUTIONS
STATE OF INDIANA

June 29, 2006

Dear Federal Reserve Member in the State of Indiana:

On June 16, the Federal Financial Institutions Examination Council (FFIEC) and the Conference of State Bank Supervisors announced the release of *LESSONS LEARNED FROM HURRICANE KATRINA: Preparing Your Institution for a Catastrophic Event*. The booklet relays financial institutions' experiences and lessons learned in the aftermath of Hurricane Katrina that other institutions may find helpful in considering their readiness for a catastrophic event. We are distributing hard copy booklets to banks we supervise for consideration in your business continuity planning.

Financial institutions face a wide variety of disasters across the United States that could have potentially devastating consequences. Following Hurricane Katrina, institutions' existing disaster recovery and business continuity plans generally worked well in enabling institutions to restore operations swiftly. However, the unprecedented destruction and aftermath of the hurricane caused major disruptions that exceeded the scope of some institutions' disaster recovery and business continuity plans.

Financial institutions demonstrated great resiliency, working together to create solutions that allowed them to successfully operate under very difficult circumstances and to assist customers and communities in recovering from the hurricane.

Please take the opportunity to review the contents of this booklet with your Board of Directors to determine whether the lessons learned from Hurricane Katrina can be used to enhance your institution's business continuity plan. An electronic copy of the booklet is also available on the FFIEC web site at http://www.ffiec.gov/katrina_lessons.htm.

Sincerely,

Cathy Lemieux
Senior Vice President
Supervision and Regulation
Federal Reserve Bank of Chicago

Judith G. Ripley
Director
Department of Financial Institutions
State of Indiana

Enclosure